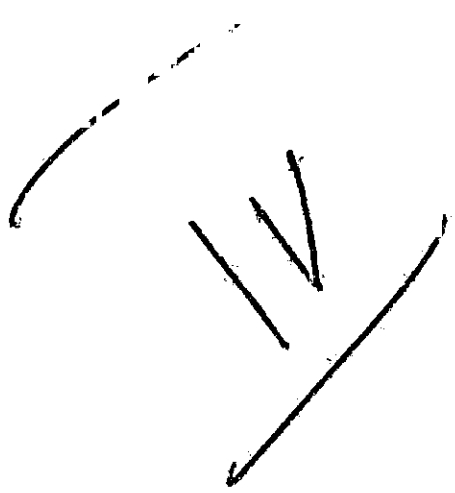
1951. **File No.** 2581/36

B CLASS

P.W. **DEPARTMENT**
K **BRANCH**

Subject:— Audit of Electricity undetakings managed by the Local Authorities

B [K] 1951



BLK 1951

File No. 2581/36-K

Etd, Sectt. Slip. 24 A

Std. Sectt. 78A a.

G. R., G D., No 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET (B)

Subject :—

File No. 2581 / 36

P. W DEPT.

K BRANCH.

References :—

Copies from the original file B[M]

Date.	To whom sent.	Notes and instructions.

No.L.17/1-4960
Office of the Accountant General,
Local Audit Department,
Bombay, 7/2/51.

From

THE EXAMINER, LOCAL FUND ACCOUNTS,
Bombay.

To

The Secretary to Government,
Public Works Department, Bombay.

Subj- Accounts of Municipal Power Houses in the merged States .

Sir,

I have the honour to state that the Electric Power Houses shown in the margin which, till the date of the merger of the various States with the Government of the Municipalities at each place as the accounts of the Municipalities are audited by this office under the provisions of the Local Fund Audit Act and the rules made thereunder, the accounts of the Municipal Power Houses will also in future be subject to audit by this office. It is, however, not clear whether the Municipalities which manage these Power Houses are sending to Government annual statements of accounts similar to those prescribe in the case of electrical licensees under Section 11 of the Indian Electricity Act, 1910. In case the Municipalitdes are already rendering or have been instructed to render the annual statements of accounts to Government it is a point for consideration whether this office should check these statements---

S.No.	Particulars	Place	District.
1.	Municipal Power House.	Petlad	Kaira
2.	" "	Patan	Mehsana
3.	" "	Visnagar	"
4.	" "	Baroda	Baroda
5.	" "	Karjan	"
6.	" "	Savnur	Dharwar.
7.	Jubilee Electric Works	Sangli	Satara South.

statements also during the local audit of the accounts of the Municipalities and the Power Houses under their control. If it is decided by Government that the statement of accounts of Municipal Power Houses should be checked by this office, the period for which the statements should be checked may kindly be communicated to this office in consultation, if necessary, with the Local Self Government and Public Health Department.

Yours faithfully,

Sd/-

Examiner.

.....

Id/-

7/2/51.

....

TRUE COPY.

Coly of Urgent Letter No. L. 17/1/3767 dated 23/12/1950, from the Examiner, Local Fund Accounts, Bombay.

.....

Subject:- Accounts of the Municipal Power Houses.

"I am to invite your attention to the forms of accounts prescribed for the electrical undertaking of Local Authorities Annexure IV to the Rules under the Indian Electricity Act 1910, and to enquire whether the statements of accounts in that --- Annexure (Nos. I to VII) are being sent by you annually to the Provincial Government. in respect of the transactions of the Electrical undertaking of your Municipality as required by section 11 of the Indian Electricity Act 1910 and Rule 36 of the Rules thereunder. If so, the period from which these statements are being sent to Government may please be stated. If, however, your Municipality has been expressly exempted by Government from sending these statements, of accounts under section 11(1) of the Act, a copy of the letter may please be forwarded to this office for information.

An early reply is requested.

...

No. O.A./9022

To

The Deputy Secretary to the Government of Bombay,
Public Works Department,
BOMBAY.

Sub:- Statement of Annual Accounts.

Sir,

I have the honour to invite a reference to Government Letter, Public Works Department, No. 2581/36-El(I) dated 27/1/1951 addressed to the Electrical Licensees in the merged areas on the subject mentioned above and to enquire whether Government have passed orders regarding the audit of the accounts of Government Power Houses and Municipal Power Houses in the merged areas. A copy of the orders pertaining to Municipal Power Houses may kindly be endorsed to the Examiner, Local Fund Accounts, who is responsible for the audit of municipal accounts.

2. As regards the form of accounts (prescribed in Annexure V to the Indian Electricity Rules, 1937) in which the private licensees are required to submit their accounts for the year ending 30.9.1949/31/12/1949/31/3/50/30/6/1950 as the case may be (vide para 4 of Government letter referred to above) it is possible that the licensees may not be able to procure a copy of the Indian Electricity Rules, 1937 as the publication is stated to be out of stock. To avoid delay in the submission of accounts it is suggested that Goverment may kindly supply to each licensee in the merged areas a set of stencilled copies of the specimen forms contained in Annexure V to the Indian Electricity Rules, 1937.

Yours faithfully,
Sd/-

Examiner outside Addit,
Account General's Office, Bombay.

PKM.

- El.Br.(I).

These reference deal with the question of annual accounts of the Municipal Power Houses in the merged states and their audit.

2. In accordance with section 11(i) of the I.E.Act 1910, every licensee shall, under expressly exempted from the liability by his license, of by order in writing of the State Govt, prepare and under to the State Govt. of to such authority as the State Government may apppoint in this behalf, annual statement of accounts of his undertaking made up to such date, in such form and containing such particulars as may be prescribed in this behalf Rule 36(3) of the I.E.Rules 1937, lay down that the accounts shall be made up as far as circumstances permit in one of other of the prescribed form set out in Annexure IV and V according as the licensee is of is not a local authority. In accordance with these provision instructions were issued in G.L.No. 2581/36-El(I), dt. the 27/1/51 to elect licensees in the merged areas to submit their acets. in the manner indicated therein.

3. Under Rule 36(3) of the I.E.Rules 1937, the accounts of the local authority licensees have, as far as circumstances, permit, to be made up in the forms set out in Annexure IV of the sixth schedule and the Table appended to the seventh schedule to the Ely.(Supply) Act, 1948, are applicable only to those licensees who are not local authorities vide sec. 57 of the Ely.(Supply)Act, 1948. The instructions issued in G.L.No. 2581/36-El.(I) dt. the 27/1/51 will not therefore apply to local authority licensees. In their case, the accounts will have to be prepared in the forms prescribed in Annexure Iv of the ---

IV of the I.E.Rules 1937, and these licensees may therefore be instructed to submit their accts. accofdingly, for the financial year immediately after the date of merger and onward, in consultation with the A.G. Bombay, who may suggest whether any in undification are necessaryx in the forms set out in Annexure IV of the I.E. Rules.

4. As regards audit, please see letters of the Examiner Local Fund Accounts, Bombay, and the Examiner Outsidex Audit. It would be better if the Examiner Outside Audit, who audits the accts. of the private licensees, audit the accts. of the local authority licensees also. The A.G.may be requested to state whether there is any objection to the audit of the accts. of the local authority licensees being conducted by the Examiner Outside Audit.

Id/-
3/4/51.

u. o. to x A.G.Bombay dt. 5th /4/51.